



Quiet December Caps Off Tumultuous Year

OTTAWA, January 5, 2023 - Members of the Ottawa Real Estate Board (OREB) sold 601 residential properties in December through the Board's Multiple Listing Service® (MLS®) System, compared with 857 in December 2021, a decrease of 30%. December's sales included 466 in the residential-property class, down 22% from a year ago, and 135 in the condominium-property category, a decrease of 48% from December 2021. The five-year average for total unit sales in December is 775.

2022 in Review

Residential and condo resales in 2022 totaled 15,288, compared with 20,289 in 2021, decreasing 25%. Total sales volume in 2022 was approximately \$10.5B compared to \$13B in 2021.

"Even with the normal seasonal slowdown, December's performance was in stark contrast to the very active resale market that opened 2022," says Ken Dekker, OREB's newly installed 2023 President. "As interest rates and inflation both climbed, buyers retreated to the sidelines and began taking a wait and see approach. However, while it's quieter than the frantic pace we experienced in 2021, it is now a balanced market."

By the Numbers – Average Prices*

- The average sale price for a condominium-class property in December was \$434,973, an increase of 9% from 2021.
- The average sale price for a residential-class property was \$655,839, decreasing 7% from a year ago.

- With year-to-date average sale prices at \$769,623 for residential units and \$453,770 for condominiums, these values represent a 7% increase over 2021 for residential-class properties and an 8% increase for condominium-class properties.

"Although market activity tapered off in later 2022, there was an immense amount of activity in the spring at high prices," says



Dekker. "This will be an important caveat to consider as we begin comparing 2023 numbers to the previous year."

By the Numbers – Inventory & New Listings:

- Months of Inventory for the residential-class properties has increased to 3.7 months from 0.9 months in December 2021.
- Months of Inventory for condominium-class properties has increased to 3.9 months from 0.9 months in December 2021.
- December's new listings (699) were 17% higher than 2021 (600) and down

56% from November 2022 (1,598).

The 5-year average for new listings in December is 662.

"The leading economic force behind Ottawa's rapid appreciation in the past five years is chronic supply insufficiency," says Dekker. "It intensified during the pandemic as prospective purchasers capitalized on incredibly low interest rates. Today's higher rates are slowing down building projects, which exacerbates the low supply issue."

2023 Lookahead

"Since Ottawa is made up of hyper-local markets, it is a difficult ecosystem to forecast," says Dekker. "Plus, there are a multitude of factors influencing a changing economic environment these days that will dictate how much activity the resale market will see in 2023. REALTORS® have access to expert insights and industry resources that can help buyers and sellers navigate the complexities."

REALTORS® also help with finding rentals and vetting potential tenants. OREB Members have assisted clients with renting 6,105 properties this past year compared to 4,813 in 2021.

** OREB cautions that the average sale price can be useful in establishing trends over time but should not be used as an indicator that specific properties have increased or decreased in value. The calculation of the average sale price is based on the total dollar volume of all properties sold. Price will vary from neighbourhood to neighbourhood.*



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December 2022 - Residential and Condominium Sales

Ottawa Real Estate Board

Property Class	Type	Number of Units			Average Sale Price		
		2022	2021	% Chg	2022	2021	% Chg
RES	1 1/2 Storey	17	31	-45.2	\$461,735	\$539,659	-14.4
	2 Storey	269	347	-22.5	\$688,889	\$733,781	-6.1
	3 Storey	33	29	13.8	\$655,000	\$832,763	-21.3
	Bungalow with Loft	4	2	100.0	\$776,250	\$393,450	97.3
	Bungalow(1 Storey)	102	131	-22.1	\$638,107	\$670,699	-4.9
	Double	0	4	-100.0	\$0	\$1,086,250	-100.0
	Duplex	0	8	-100.0	\$0	\$558,125	-100.0
	Hi Ranch	13	18	-27.8	\$567,785	\$751,711	-24.5
	Mobile	4	4	0.0	\$177,250	\$205,000	-13.5
	Modular	2	0	0.0	\$333,113	\$0	0.0
	Other	1	2	-50.0	\$880,000	\$572,000	53.8
	Split Level	21	20	5.0	\$619,860	\$670,338	-7.5
		466	596	-21.8	\$655,839	\$707,821	-7.3
CON	2 Storey	48	89	-46.1	\$408,608	\$414,532	-1.4
	3 Storey	11	8	37.5	\$390,036	\$545,938	-28.6
	Bungalow(1 Storey)	2	2	0.0	\$590,000	\$540,000	9.3
	Hi Ranch	0	1	-100.0	\$0	\$365,000	-100.0
	One Level	72	153	-52.9	\$460,386	\$380,040	21.1
	Other	2	8	-75.0	\$245,000	\$414,950	-41.0
		135	261	-48.3	\$434,973	\$399,125	9.0
		601	857	-29.9	\$606,227	\$613,807	

Year To Date December 2022 - Residential and Condominium Sales

Ottawa Real Estate Board

Property Class	Type	Number of Units			Average Sale Price		
		2022	2021	% Chg	2022	2021	% Chg
RES	1 1/2 Storey	348	430	-19.1	\$533,521	\$497,838	7.2
	2 Storey	6,768	9,208	-26.5	\$807,147	\$752,596	7.2
	3 Storey	680	905	-24.9	\$801,672	\$763,031	5.1
	Bungalow with Loft	72	36	100.0	\$918,326	\$872,416	5.3
	Bungalow(1 Storey)	2,587	3,381	-23.5	\$729,916	\$681,122	7.2
	Double	17	22	-22.7	\$859,071	\$843,599	1.8
	Duplex	89	131	-32.1	\$763,083	\$678,514	12.5
	Hi Ranch	374	502	-25.5	\$666,270	\$622,240	7.1
	Mobile	65	78	-16.7	\$200,658	\$174,731	14.8
	Modular	20	19	5.3	\$251,391	\$232,842	8.0
	Other	13	24	-45.8	\$604,050	\$580,783	4.0
	Split Level	475	571	-16.8	\$739,399	\$685,812	7.8
			11,508	15,307	-24.8	\$769,623	\$719,422
CON	1 1/2 Storey	2	4	-50.0	\$384,450	\$402,500	-4.5
	2 Storey	1,346	1,891	-28.8	\$455,070	\$416,412	9.3
	3 Storey	170	237	-28.3	\$491,588	\$470,008	4.6
	Bungalow with Loft	1	1	0.0	\$360,000	\$352,000	2.3
	Bungalow(1 Storey)	50	46	8.7	\$561,551	\$531,532	5.6
	Hi Ranch	1	4	-75.0	\$680,000	\$424,031	60.4
	Modular	0	1	-100.0	\$0	\$270,000	-100.0
	One Level	2,135	2,696	-20.8	\$447,867	\$417,060	7.4
	Other	58	84	-31.0	\$425,368	\$375,685	13.2
	Split Level	17	18	-5.6	\$494,229	\$410,950	20.3
		3,780	4,982	-24.1	\$453,770	\$419,622	8.1
		15,288	20,289	-24.6	\$691,528	\$645,806	